



Request for City Council Committee Action from the Department of Public Works

Date: May 13, 2014

To: The Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral To: The Honorable John Quincy, Chair Ways & Means Committee

Subject: **2014 Resurfacing Program – 4th Av S Project No. 5266: Public Hearing**

Recommendation:

A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$55,665.35 for the 4th Av S Street Resurfacing Project No 5266.

B. Pass a Resolution requesting the Board of Estimate and taxation to issue and sell assessment bonds in the amount of \$55,665 for the 4th Av S Street Resurfacing Project with the bonds to be paid for from special assessments.

Previous Directives:

- March 28, 2014 Council resolution 2014R-101 designating the locations and streets to be improved.
- November 12, 2013 Council resolution 2013R-509 establishing the 2014 Uniform Assessment Rates.

Department Information:

Prepared by: Suzette Hjermstad, Supervisor, PW Special Assessment Office 643-2401
Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Financial Impact

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: Public hearing notices mailed to benefited property owners

Neighborhood Meetings: Pre-public hearing meeting held on May 7, 2014

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Supporting Information

Background

On March 28, 2014, the City Council designated the locations, streets and improvements proposed to be made in the 4th Av S neighborhood. The cost estimate for this project is \$136,483 and is financed by net debt bonds and special assessments (for finance purposes identified as PV1461).

The location of the 4th Av S street resurfacing project is from 10th St S to 15th St E. Fourth Av S at this location is a local city street and was last paved in 1967.

The street resurfacing would be a mill and overlay of the street surface with plant mix asphalt and other paving related improvements as needed. This paving project is scheduled to begin in summer 2014 and will be constructed by the City's workforce.

Special Assessments

The street resurfacing special assessments were determined by applying the 2014 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The approved 2014 resurfacing rates are:

\$0.60/sq. ft. – Non-Residential

\$0.20/sq. ft. – Residential

The proposed total assessment amount is \$55,665.35 for the 4th Av S project. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest if they so choose.

City Council has passed resolutions whereby a deferment of special assessments may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Attachments – Map

Cc: Council Member Lisa Goodman, Ward 7
Jack Qvale, Secretary, Board of Estimate and Taxation

T&PW & W&M – Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the 2014 Resurfacing Program, 4th Av S Street Resurfacing Project, Special Improvement of Existing Street No. 5266.

2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 4th Av S Street Resurfacing Project.

Reich

2014 STREET RESURFACING PROGRAM

**FOURTH AV S STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5266**

**Ordering the work to proceed and adopting the special assessments for the
4th Av S Street Resurfacing Project.**

Whereas, a public hearing was held on May 13, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2014R-101, passed March 28, 2014 to consider the proposed special assessments as on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2014R-101, passed March 28, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$55,665.35 for the 4th Av S Project No 5266 Street Resurfacing Project as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by with the special assessments of more than \$150 may be paid shall be fixed at five (5) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to be on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$55,665 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed costs of street improvements in the 4th Av S Street Resurfacing Project, Special Improvement of Existing Street No. 5266, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collected in five (5) successive annual installments, payable in the same manner as real estate taxes.